

**CITY OF LODI
INFORMAL INFORMATIONAL MEETING
"SHIRTSLEEVE" SESSION
CARNEGIE FORUM, 305 WEST PINE STREET
TUESDAY, MARCH 4, 2008**

An Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council was held Tuesday, March 4, 2008, commencing at 7:01 a.m.

A. ROLL CALL

Present: Council Members – Hitchcock, Hansen, Johnson, and Katzakian
Absent: Council Members – Mayor Mounce
Also Present: City Manager King, City Attorney Schwabauer, and City Clerk Johl

B. TOPIC(S)

B-1 "Regional Housing Needs Assessment Allocation Report"

City Manager King briefly introduced the subject matter of the Regional Housing Needs Assessment (RHNA) Allocation Report.

San Joaquin Council of Governments (SJCOG) Executive Director, Andrew Chesley, provided an overview of the State program and requirements for affordable housing and the need for some change to assist local governments in meeting the goals.

In response to Mayor Pro Tempore Hansen, Mr. Chesley stated the professional planners are made up of community development directors from within the County.

SJCOG Senior Regional Planner, Mike Swearingen, provided a PowerPoint presentation regarding the RHNA Allocation Report. Specific topics of discussion included an overview of the report, purpose, statutory objectives, RHNA development committee, methodology in draft RHNA report, controversial nature of process, what RHNA is and is not, mandated RHNA schedule, RHNA development in other regions, San Joaquin County RHNA target for region, sum total based on single number for entire State and then divided among the various counties, City of Lodi methodology and household income distribution numbers, other RHNA factors, housing unit transfers, incentives for housing element compliance, and the next steps.

In response to Council Member Johnson, Mr. Swearingen confirmed that there was only a 700 unit adjustment in consideration of the foreclosures within the County. Community Development Director Randy Hatch stated the State sets a specific number for the entire State and then divides and allocates a portion of that number to each County. Mr. Hatch stated adjustments are rare because if one jurisdiction receives fewer units than another must receive more.

In response to Council Member Hitchcock, Mr. Swearingen stated the weight factor reflects a one to one ratio for jobs and housing.

In response to Mayor Pro Tempore Hansen, Mr. Swearingen stated that, although the housing element is an unfunded mandate, it is important to be compliant by having a housing element plan because it may affect eligibility for Community Development Block Grant funds or other programs. Mr. Hatch stated it is also important to show ongoing efforts and be compliant by receiving the certification from the State for the housing element plan even though the reality of actual development may differ.

In response to Mayor Pro Tempore Hansen, Mr. Hatch stated the RHNA program has been in place since the 1980s. Mr. King discussed the lack of evidence showing improved affordable housing developments, the need to show parcel availability, penalties and enforcement associated with non-compliance, and the impact on the General Plan with respect to the amount of land that is available in inventory regardless of the City's 2% growth rate.

A brief discussion ensued between Council Member Johnson and Mr. King regarding similar concerns with Tracy that too much land is shown in the General Plan and the debate of signing units based on housing, jobs, and population.

In response to Mayor Pro Tempore Hansen, Mr. Swearingen and Mr. King confirmed that open land identified in the General Plan is not only limited to affordable housing development.

In response to Council Member Hitchcock, Mr. Swearingen stated that the methodology for the County is similar to that used in the last RHNA process. He also confirmed that, while each region may have a different methodology based on their community's characteristics, they all have a tie in with jobs and population. Mr. Hatch stated that the basic components of any methodology are set by the State and other regions may be a bit more sophisticated with their housing breakdown. A brief discussion ensued between Council Member Hitchcock and Mr. Hatch regarding the fallacy of the jobs, housing, and population balance and the ratio of one to one.

In response to Council Member Hitchcock, Mr. Chesley stated one reason for not using a more sophisticated methodology is the difficulty it creates with staff administering the process and assessing compliance. He stated it might be appropriate to consider past inequities in affordable housing within the County as a factor.

In response to Mayor Pro Tempore Hansen, Mr. Swearingen stated Lodi is the only city that does not show a negative difference on income from previous allocation as listed in Attachment A because the information is based on historical data, including economic development. He stated the output numbers from the formula are not set in stone.

In response to Council Member Hitchcock, Mr. Swearingen stated there is benefit for a bedroom community under this formula. He stated the draft methodology will be evaluated by the Committee after the public comment period ends and suggestions are provided by the communities.

In response to Mayor Pro Tempore Hansen, Mr. Swearingen confirmed that for Lodi's numbers to go down, another jurisdiction's number would need to rise. Mr. Hatch stated jobs information from the Regional Transportation Plan is the primary factor that is driving the numbers. He stated SJCOG is working with the University of Pacific to obtain more current and accurate data regarding the same.

Discussion ensued between Council Member Johnson and Mr. Hatch regarding exporting jobs over the Altamont Pass, the proposition that employees do not necessarily equal jobs, employee tie in with commute and residence, job tie in with geographic location, and employed residents versus jobs available.

In response to Council Member Johnson, Mr. Hatch stated the Lodi numbers are consistent with the available data, but it is important to try to obtain more current and accurate data as SJCOG is attempting to do so with the University of the Pacific.

In response to Council Member Hitchcock, Mr. Swearingen stated the City's numbers shown for the low and very low categories are based on median family income data from the last decennial census and the formula that defines the very low, low, moderate, and above moderate categories.

Council Member Hitchcock requested a copy of additional data that is available regarding the methodology and numbers. She also suggested revising the draft methodology based on her concerns that it is too simple and does not reflect current thinking.

Mr. Swearingen stated he would be happy to provide the requested information and will forward the same to staff. He also requested the City provide its concerns to him in writing so that he may take the same back to the Committee to evaluate the methodology.

In response to Mayor Pro Tempore Hansen, Mr. Hatch stated the slow growth benefits the City in the sense that it is factored into the household growth component which is reduced. Mr. Hatch stated that is only a partial factor, however, and the numbers are primarily being driven by the job issue.

Mayor Pro Tempore Hansen stated the City will likely provide a written summary of its concerns and concurred with Council Member Hitchcock regarding her request for additional data and spreadsheets.

Mr. King stated the item will be brought back to the City Council for consideration and solidification of its formal position. A brief discussion ensued between Mr. King and SJCOG representatives regarding the tentative date of April 24, 2008, for final methodology approval by the SJCOG Board and submission to the State.

In response to Myrna Wetzel, Mr. Hatch stated the housing element is a process driven by the State Legislature.

C. COMMENTS BY THE PUBLIC ON NON-AGENDA ITEMS

None.

D. ADJOURNMENT

No action was taken by the City Council. The meeting was adjourned at 8:23 a.m.

ATTEST:

Randi Johl
City Clerk



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CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Regional Housing Needs Assessment Allocation Report

MEETING DATE: March 4, 2008

PREPARED BY Community Development Department

RECOMMENDED ACTION: Receive report on the Regional Housing Needs Allocation (RHNA) assessments for San Joaquin County and, more specifically, the city of Lodi, from Andrew Chesley, Executive Director of the San Joaquin Council of Governments (SJCOG).

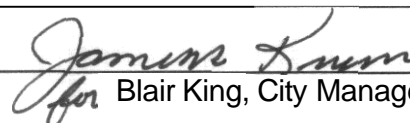
BACKGROUND INFORMATION: In compliance with the state schedule for housing element updates (Gov. Code Section 65588), the State Department of Housing and Community Development (HCD) has notified SJCOG that the housing unit need in San Joaquin County for the period of 2007-2014 is a total of 38,220 housing units. HCD uses 2000 Census data to distribute those regional housing needs across four income categories: very low, low, moderate, and above moderate. It should be noted that originally HCD assigned a higher number of housing units needed in the County. SJCOG appealed this original number and the County number of 38,220 represents this lower number.

SJCOG, in turn, is required to distribute those percentages and corresponding number of housing units to local jurisdictions countywide. These allocations are not a forecast of building or housing permits that local agencies are required to build, but are more of a goal or target for jurisdictions to strive for as they prepare their updated housing element. Indeed, Section 65584 recognizes that future housing production may not equal the housing need established for planning purposes. Updated housing elements in San Joaquin County are to be submitted to HCD by August 31, 2009.

As part of the allocation process to local jurisdictions, SJCOG has developed a *Draft* Methodology for Allocation to Local Jurisdictions. The State statute requires that SJCOG take into consideration, among other things, market demand for housing, employment opportunities, the availability of suitable housing sites and public facilities, commuting patterns, the type and tenure of housing need, and farm worker housing need. However, by law, SJCOG may not consider local constraints that may prevent jurisdictions from receiving a "fair share" allocation of housing units. These constraints could include local growth control or sewer and water infrastructure capacity. The statute also requires that the allocation not perpetuate the concentration of low income housing within any jurisdiction in the region. Copies of all of the SJCOG documents related to that Draft Methodology and the proposed allocations are attached to this staff report. It should be noted that SJCOG is proposing to use the same methodology for this current round of Housing Needs Allocation for the period 2007 – 2014, as was used for the last round (2001 – 2007).

- Attachment A – Year 2007-2014 RHNA & Year 2001-2008 RHNA
- Attachment B – RHNA Draft Methodology
- Attachment C – RHNA Key Factors
- Attachment D – RHNA Plan FAQ

APPROVED:


for Blair King, City Manager

- Attachment E – RHNA Transfer Limitations
- Attachment F – SJCOG Feb'08 Staff Report re: RHNA **Process** Updates
- Attachment G – State HCD letter to SJCOG (w/ attachments) re: Regional Housing Needs Determination

FISCAL IMPACT: NIA

FUNDING AVAILABLE: N/A

A

FOR Randy Hatch
Community Development Director

Attachments

Year 2007 - 2014 RHNA by Income Category

	Very Low	Low	Moderate	Above Moderate	TOTALS	Percentage	Difference from Previous Allocation
Escalon	107	68	84	220	480	1%	0%
Lathrop	172	130	177	463	941	2%	0%
Lodi	1,184	794	889	1,963	4,830	13%	2%
Manteca	648	484	628	1,390	3,150	8%	-1%
Ripon	120	86	111	320	638	2%	-1%
Stockton	3,946	2,376	2,643	5,582	14,547	38%	-8%
Tracy	931	650	851	2,693	5,126	13%	-3%
SJ County	2,038	1,359	1,590	3,521	8,509	22%	11%
Total	9,146	5,947	6,974	16,152	38,220	100%	

Year 2001 - 2008 RHNA by Income Category

	Very Low	Low	Moderate	Above Moderate	TOTALS	Percentage
Escalon	109	78	84	219	491	1%
Lathrop	188	158	189	494	1,029	3%
Lodi	990	664	738	1,622	4,014	10%
Manteca	785	651	745	1,643	3,823	10%
Ripon	228	181	206	593	1,208	3%
Stockton	4,934	2,972	3,277	6,897	18,081	46%
Tracy	1,178	914	1,054	3,323	6,469	16%
SJ County	1,085	714	829	1,828	4,456	11%
Total	9,497	6,332	7,122	16,619	39,571	100%

**SAN JOAQUIN COUNCIL OF GOVERNMENTS
(SJCOG)**

**REGIONAL HOUSING NEEDS ALLOCATION
(RHNA)**

**DRAFT METHODOLOGY
(February 1, 2008)**

This document describes SJCOG's the Draft Methodology proposed to be used for the San Joaquin County RHNA process. The public review and comment period for the Draft Methodology will take place from February 6, 2008 through April 9, 2008. For additional information on the RHNA process, please see the [FAQ section](#) of the SJCOG website.

PROPOSED RHNA METHODOLOGY

The State Department of Housing and Community Development (HCD) notified the SJCOG on August 31, 2007 that the housing unit needs for the period of 2007-2014 is 38,220. The HCD approach did not account for the historic foreclosure rate the region of San Joaquin County is experiencing. Based on preliminary analysis provided to HCD by from SJCOG, a calculation was employed to take in account this fact which resulted in lowering the original HCD housing target number from 39,071 to 38,220.

HCD distributed the housing units among the four household income categories using historic rates of household formation. The household income category definitions that units are distributed include:

Very Low:	Income not exceeding 50 % median family income in the county
Low:	Income between 50% and 80% of median family income
Moderate:	Income between 80% and 120% of median family income
Above Moderate:	Income above 120% of median family income

Data from the 2000 census was used by HCD for the regional housing distribution across the income categories. For example, census data shows that 24% of the households in San Joaquin County had very low incomes based on a regional household income of \$41,282. Therefore 24% of the housing units allocated for the period must be accessible to households in this income category. Based on this approach, the region's RHNA for the period of January 2007 through June 30, 2014 across the income categories is as follows:

INCOME CATEGORY	HOUSING UNIT NEED	PERCENT
Very Low	9,314	24%
Low	6,032	16%
Moderate	6,972	18%
Above Moderate	15,902	42%
TOTAL	38,220	100%

SJCOG must maintain these percentages and the corresponding number of units on a countywide basis as it allocates units to the local jurisdictions.

It is important to note that the housing units to be allocated are not a forecast of building or housing permits, nor are local agencies responsible for constructing housing. The numbers are goal targets and are not meant to match, and often exceed anticipated growth in housing units.

A proposed *Draft Methodology for Allocation to Local Jurisdictions* has been prepared by SJCOG based upon the SJCOG Board-adopted methodology used in the previous RHNA planning period (2001-2007). The goal of the methodology is to promote a jobs/housing balance by equally weighting the HCD housing allocation to jurisdictions based on where *employment* growth is expected to occur in the county and where *household* growth is expected to occur. Employment growth estimates were derived from the regionally adopted 2007 Regional Transportation Plan and housing estimates were derived from the State Department of Finance projections. SJCOG's methodology also requires each jurisdiction to move 50% of the way towards the regional average of each household income category over the 2007-2014 periods to avoid skewing low income units in any one jurisdiction.

Minor manual adjustments are expected to be employed to the local allocations resulting from the formula methodology to better match the countywide household income percentages and units distributed by HCD. In addition, housing allocations by jurisdiction may be refined due to the latitude, prescribed in state statute, which allows an incorporated city the ability to assume a portion of the unincorporated areas housing allocation. Other modifications to the final RHNA may result based on SJCOG's analysis of the following key factors:

- Each jurisdiction's existing and projected jobs / housing relationship;
- Lack of capacity for sewer or water service due to federal or state law, regulations or regulatory actions, or supply and distribution decisions made by service providers other than the local jurisdiction that preclude the jurisdiction from providing necessary infrastructure for additional development during the planning period;
- The availability of land suitable for urban development or for conversion to residential use, the availability of underutilized land, and opportunities for infill development and increased residential densities, as well as the potential for increased residential development under alternative zoning ordinance and land use restrictions;
- Lands preserved or protected from urban development under existing state/federal programs designed to protect open space, farmland, environmental habitats, and natural resources on a long-term basis;
- Policies to preserve prime agricultural land within an unincorporated area;
- Changes in a jurisdiction's Sphere of Influence that may occur during the RHNA planning period;
- Distribution of household growth assumed for a comparable period in the Regional Transportation Plan and opportunities to maximize the use of public transportation and existing transportation infrastructure;
- Market demand for housing;
- Housing needs of farm workers; and
- Other factors that may affect growth.

By state statute, SJCOG is not allowed to consider local constraints that may prevent jurisdictions from receiving a "fair share" allocation of housing units. These constraints include local growth ordinances. The statute also requires that the allocation not perpetuate the concentration of low income housing in any jurisdiction within the region.

Persons with questions regarding the housing needs allocation and allocation process may contact Michael A. Swearingen, Senior Regional Planner at (209) 468-3913.

REGIONAL HOUSING NEEDS ALLOCATION

KEY FACTORS

In developing the methodology to establish the Regional Housing Needs Allocation (RHNA) for the 2007-2014 planning period, SJCOG staff will evaluate key factors that may affect growth during this period, including:

- Each jurisdiction's existing and projected jobs / housing relationship;
- Lack of capacity for sewer or water service due to federal or state law, regulations or regulatory actions, or supply and distribution decisions made by service providers other than the local jurisdiction that preclude the jurisdiction from providing necessary infrastructure for additional development during the planning period;
- The availability of land suitable for urban development or for conversion to residential use, the availability of underutilized land, and opportunities for infill development and increased residential densities, as well as the potential for increased residential development under alternative zoning ordinance and land use restrictions;
- Lands preserved or protected from urban development under existing state/federal programs designed to protect open space, farmland, environmental habitats, and natural resources on a long-term basis;
- Policies to preserve prime agricultural land within an unincorporated area;
- Changes in a jurisdiction's Sphere of Influence that may occur during the RHNA planning period;
- Distribution of household growth assumed for a comparable period in the Regional Transportation Plan and opportunities to maximize the use of public transportation and existing transportation infrastructure;
- Market demand for housing;
- Housing needs of farm workers; and
- Other factors that may affect growth.

REGIONAL HOUSING NEEDS ALLOCATION PLAN

FREQUENTLY ASKED QUESTIONS

1. **What is the Regional Housing Needs Plan (RHNP) and Regional Housing Needs Allocation (RHNA)?**

The Regional Housing Needs Allocation Plan (RHNP) allocates to SJCOG cities and counties their "fair share" of the region's projected housing needs. The SJCOG Board of Directors must adopt an update of the plan every five years. Each city and county in the RHNAP will receive a Regional Housing Needs Allocation (RHNA) of total number of housing units that it must plan for within a 7.5 year time period. Within the total number of units, allocations are also made for the number of units within four economic categories: very low, low, and moderate and above moderate incomes.

2. **What is SJCOG's role in the RHNAP?**

State law mandates that council of governments develop the RHNP. SJCOG is lead agency in developing the RHNP for the seven incorporated cities and the unincorporated area that it serves. It is SJCOG's responsibility to coordinate with the California Department of Housing and Community Development (HCD) to determine a regional housing needs projection. Then SJCOG will allocate the share each jurisdiction will receive.

3. **What time period does the RHNAP cover?**

The update of the RHNP that SJCOG is undertaking covers the 7.5 year period from January 1, 2007 through June 30, 2014. However, on May 24, 2007, in order to accommodate the Department of Finance's July 2007 update of the State's population projections, HCD extended the RHNA planning period through August 31, 2014.

4. **Are there any State Law changes in the RHNAP process?**

The Regional Housing Needs Determination (RHND), a complex, state-mandated housing process is impacted by three new housing laws: AB 2158, AB 2348, and SB 1818. These laws affect the housing need allocation methodology, site selection, and density bonuses as follows:

- AB 2158 allows for increased input from local jurisdictions into the RHND methodology and the regional planning process, including the creation of sub-regional entities
- AB 2348 is aimed at providing housing developers with greater certainty in the development process
- SB 1818 changes the existing density bonus laws to provide developers with more incentives to include affordable housing units in their projects.

5. **What is the overall housing needs allocation for the region?**

HCD issued a Regional Housing Needs Determination of 38,220 dwelling units to the region from 2007-2014. This number was developed by the California Department of Finance and issued in August 2007 through the California Housing and Community Development Department. Subcategory allocations by economic category for the region are as follows:

- Very low income (less than 50% median household income [MFI]): 9,314 or 24%
- Low Income (50 to 80% MFI) 6,032 or 16% of total allocation
- Moderate (80 to 120% MFI) 6,972 or 18%
- Above Moderate (above 120% MFI) 15,902 or 42%

The allocation by HCD associated with the previous RHNA plan was 39,569 housing units.

5. What is the overall timeline for the development of the RHNP?

There are a number of requirements in state law that SJCOG will need to perform before the SJCOG Board of Directors can adopt the updated RHNAP. In general, the time lines are as follows:

SJCOG must develop and adopt a methodology for the allocation. The SJCOG Board of Directors needs to adopt the methodology by March of 2008.

Written public comments requesting a revision to the draft allocations will be due by May 23, 2008.

On June 26, 2008, the SJCOG Board will hold a hearing on the appeals.

On July 24, 2008, the SJCOG Board will hold a public hearing and determine whether to adopt the RHNAP, which is the document encompassing the Regional Housing Needs Allocation.

Cities and the County of San Joaquin will have until August 31, 2009 to adopt their housing elements, which identify how each will address its housing allocation during the RHNAP timeframe.

6. What is the current status of the RHNA?

- SJCOG staff negotiated with HCD to reduce the allocation due to the high incidence of home foreclosures.
- SJCOG received the Regional Housing Need Determination of 38,220 housing units in September 2007.
- First major step is to arrive at a consensus with jurisdictions regarding the methodology to be used to calculate the housing unit distribution.

7. How have local governments and interested parties been involved or how can they get involved in the development of the RHNAP?

The SJCOG RHNAP Advisory Committee meetings are the main forum for local government staff to hear and discuss updates in the RHNAP process. This committee is comprised of the Planning Directors and/or their assigned staff and is primarily a technical planning committee. All are welcome to attend these meetings, but the chairs at the table are reserved first for Planning Directors or their designee

8. Can SJCOG provide notice of meetings with other stakeholder groups?

SJCOG staff will inform local governments of updates to other stakeholder groups (e.g., development industry, affordable housing advocates, and neighborhood groups) as it seems

appropriate. Staff will use its judgment when to invite local governments to discuss the RHNAP topics depending on the purpose of the meeting, the audience, and other factors.

9. **Can SJCOG provide an online forum for discussion so other jurisdictions can see what comments it is receiving?**

Once product is developed, anyone may go the SJCOG website for an online discussion about any issue regarding the RHNA. SJCOG jurisdictions and others may also provide written comments on the RHNAP methodology for the public record. Comments will be forwarded to the SJCOG's RHNAP Advisory Committee and the SJCOG Board of Directors.

11. **What does the adopted methodology allocate?**

The RHNAP has two parts as required by state law. Part 1 is an allocation of the total number of housing units to each jurisdiction for which zoning capacity must be provided from January 1, 2007 through August 31, 2014. This part is referred to as the "overall allocation".

Part 2 is the distribution of the same total number of units among four income categories; the sum of the housing units within the four categories must add up to the total overall number of units. Part 2 is referred to as the "income category distribution".

12. **Describe how the adopted methodology calculates the overall allocation to each jurisdiction.**

To Be Determined

13. **Describe how the adopted methodology allocates units by income category.**

To Be Determined

14. **Are there situations that SJCOG or its local governments have no control over that could change the RHNA numbers?**

Yes, the Federal Emergency Management Agency is reviewing the suitability of flood levees throughout the region. If flood zone designations are changed and local jurisdictions receive a mandate to stop residential development in these areas, the methodology states that SJCOG will have to reallocate the entire RHNAP, even if this happens after it is adopted.

15. **The RHNA addressed planned units, and the RTP has built units. What's the difference?**

The RTP must represent the best estimate of what will actually be built in the region between 2005 and 2030. Within the forecast, there are interim years that lead up to 2030. Each forecast year shows the placement of the number of units that are projected to be built by the end of that year. These estimates are based on local governments' General Plans and Specific Plans.

HCD requires cities and counties to show through their Housing Elements how they can accommodate their projected housing allocation by planning and zoning enough residential land. The RHNA does not necessarily mean that these zoned residential lands will be built by end of the RHNP period.

RHNA TRANSFER LIMITATIONS

Two types of RHNA Transfers:

1) County to existing city

- a. Only a County (until due date of its Housing Element) can transfer a RHNA share (only to cities within the County), providing ALL of the following is met:
 - i. Cities agree to accept transfer
 - ii. County's transfer of very-low and low is proportional to transfer of moderate and above-moderate RHNA
 - iii. COG verifies compliance and approves transfer

2) County to new city

- a. Only a County (until due date of its Housing Element) can transfer a RHNA share (only to cities within the County), providing ALL of the following is met:
 - i. Within 1 year of incorporation
 - ii. Both governments determine transfer or request COG to make determination

California Government Code 65584.07

a) During the period between adoption of a final regional housing needs allocation until the due date of the housing element update pursuant to Section 65588, the council of governments, or the department, whichever assigned the county's share, shall reduce the share of regional housing needs of a county if all of the following conditions are met:

(1) One or more cities within the county agree to increase its share or their shares in an amount equivalent to the reduction.

(2) The transfer of shares shall only occur between a county and cities within that county.

(3) The county's share of low-income and very low income housing shall be reduced only in proportion to the amount by which the county's share of moderate- and above moderate-income housing is reduced.

(4) The council of governments or the department, whichever assigned the county's share, shall approve the proposed reduction, if it determines that the conditions set forth in paragraphs (1), (2), and (3) above have been satisfied. The county and city or cities proposing the transfer shall submit an analysis of the factors and circumstances, with all supporting data, justifying the revision to the council of governments or the department. The council of governments shall submit a copy of its decision regarding the proposed reduction to the department.

(b) The county and cities which have executed transfers of regional housing need pursuant to this section shall amend their housing elements and submit them to the department for review

pursuant to Section 65585. All materials and data used to justify any revision shall be made available upon request to any interested party within seven days upon payment of reasonable costs of reproduction unless the costs are waived due to economic hardship. A fee may be charged to interested parties for any additional costs caused by the amendments made to former subdivision (c) of Section 65584 that reduced from 45 to 7 days the time within which materials and data were required to be made available to interested parties.

(c) In the event an incorporation of a new city occurs after the council of governments, or the department for areas with no council of governments, has made its final allocation under this section, the city and county may reach a mutually acceptable agreement on a revised determination and report the revision to the council of governments and the department, or to the department for areas with no council of governments. If the affected parties cannot reach a mutually acceptable agreement, then either party may request the council of governments, or the department for areas with no council of governments, to consider the facts, data, and methodology presented by both parties and make the revised determination.

The revised determination shall be made within one year of the incorporation of the new city based upon the methodology described in subdivision (a) and shall reallocate a portion of the affected county's share of regional housing needs to the new city. The revised determination shall neither reduce the total regional housing needs nor change the previous allocation of the regional housing needs assigned by the council of governments or the department, where there is no council of governments, to other cities within the affected county.

STAFF REPORT

SUBJECT: Regional Housing Needs Allocation:
Process Updates

RECOMMENDED ACTION: Information Only

DISCUSSION:

BACKGROUND

San Joaquin Council of Governments (SJCOG) is mandated by California government code section 65584 to determine the Regional Housing Need Allocation (RHNA) for its local jurisdictions for the years 2007-2014. By state law, the allocation must be received by the California Department of Housing and Community Development (HCD) by August 31, 2008. Local jurisdictions are required to incorporate the allocation into an updated general plan housing element, which must be submitted to HCD by August 31, 2009. The last time a housing needs allocation was adopted by the SJCOG Board was in 2002. It covered the 2001-2007 planning period.

The law requires, as the first step in the RHNA process, that HCD project housing construction needs at the regional level for the 2007-2014 time period. HCD utilizes population and employment projections from the SJCOG Regional Transportation Plan (RTP) and the most recent projections (in this case, July 2007) by the California Department of Finance (DOF) as the basis of their housing need determination for SJC. In addition, HCD uses Census data to distribute housing units among various income levels. The housing construction needs for San Joaquin County (SJC), as determined by HCD, are shown on the next page in *Table 1*.

Once the housing need determination is made by HCD, SJCOG is mandated to allocate the determination to the municipalities and unincorporated areas within the region. Specifically, SJCOG is required to allocate the HCD determination by household income category.

RHNA ALLOCATION

The units to be allocated as part of SJCOG's final RHNA Plan are not a forecast of building or housing permits, nor are local agencies responsible for constructing housing. The numbers HCD submits to SJCOG are "goal numbers" and are not meant to match, and often exceed, anticipated growth in housing units.

For the final RHNA plan, the statute requires that SJCOG take into consideration, among other things, the market demand for housing, employment opportunities, the availability of suitable housing sites and public facilities, commuting patterns, the type and tenure of housing need, and farm worker housing needs. However, by state law, SJCOG may not consider local constraints that may prevent jurisdictions from receiving a "fair share" allocation of housing units. These

constraints could include local growth control ordinances and sewer and water infrastructure capacity. The statute also requires that the allocation not perpetuate the concentration of low income housing within any jurisdiction in the region.

NEXT STEPS

The next step in the process is for SJCOG staff to develop a methodological tool for allocating the HCD determination. An advisory committee, consisting of members from local jurisdictions and partnering agencies, was formed in November 2007 to provide guidance and expertise in the development of the RHNA methodology. Staff has met with the committee three times since November and, as a result, has produced a draft methodology for the current RHNA cycle.

The draft methodology was submitted for public comment and review by local jurisdictions on February 1st, 2008. The 60-day public comment period will conclude with a public hearing on April 10, 2008. Member agencies and local jurisdictions are encouraged to provide feedback and input regarding the draft methodology during the public comment period. It is anticipated that there will be adjustments and modifications made to the draft methodology based on input received during the comment period and other statutory factors. Once completed, the final RHNA methodology will be submitted for approval to the SCJOG Board of Directors at the April 24, 2008 meeting.

TIMELINE

A summary of the key dates and deliverables for the current RHNA planning period are listed below:

- Draft Methodology Public Comment Period—February 1st, 2008 through April 9th, 2008
- Submit final RHNA Methodology to SJCOG Board for review and approval—April 24th, 2008
- SJCOG issues Draft Allocation Numbers for 60-day Public Comment and Appeal Period—April 28th, 2008 through June 27th, 2008
- SJCOG decides appeals, proposes Final RHNA Plan for SJC—June 30th, 2008 through August 21st, 2008
- Public hearing and Adoption by SJCOG Board of Directors—August 21st, 2008
- Submit Adopted RHNA Plan to HCD for review and approval—by August 31st, 2008

TABLE 1

California Department of Housing and Community Development
2007-2014 Regional Housing Need Determination
San Joaquin County

<u>Income Category</u>	<u>Housing Unit Need</u>	<u>Percent</u>
Very Low	9,314	24
Low	6,032	16
Moderate	6,972	18
Above Moderate	<u>15,902</u>	<u>42</u>
Total	38,220	100%

REGIONAL HOUSING NEEDS ALLOCATION (RHNA) 2007 – 2014 PLANNING PERIOD

SCHEDULE / DELIVERABLES

<u>Preparation of Methodology</u>	<u>Dec 2007 – Jan 2008</u>
• RHNA Advisory Committee	11/30/07
• Outreach to Local Jurisdictions	12/01/07 – 12/31/07
○ Request Data/Develop Methodology	
• Issue Proposed Methodology	02/01/08
<u>Review of Methodology</u>	<u>Jan 2008 – Apr 2008</u>
• Public Comment Period (60 Days)	02/01/08 – 04/09/08
• Public Hearing about Proposed Methodology	04/10/08
• Review of Final Methodology by Advisory Committee	04/07/08 – 04/17/08
• Present Final Methodology to SJCOG Board for Adoption	04/24/08
<u>Develop Draft RHNA Plan</u>	<u>Apr 2008 – July 2008</u>
• SJCOG issues Draft Allocation Numbers	04/25/08
<u>Appeals Process (60 days)</u>	<u>April 2008 – July 2008</u>
• Local Jurisdictions may request revisions	04/28/08 – 06/27/08
• SJCOG responds to revision requests	04/28/08 – 06/27/08
• Public Comment about appeals	04/28/08 – 06/27/08
• SJCOG decides appeals and proposes Final RHNA Plan	06/30/08 – 07/11/08
<u>Preparation and Adoption of Final RHNA Plan</u>	<u>July 2008 – Aug 2008</u>
• SJCOG issues Final RHNA Plan	07/15/08
• Public Hearing and Adoption by SJCOG Board of Directors	08/21/08
• Submit Adopted RHNA Plan to HCD	08/25/08
<u>*Due Date for Jurisdictions to Update their Housing Needs Element</u>	<u>August 31, 2009</u>

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF HOUSING POLICY DEVELOPMENT**

1800 Third Street, Suite 430
P. O. Box 952053
Sacramento, CA 94252-2053
(916) 323-3177
FAX (916) 327-2643



Miles
For info
SL

August 31, 2007

RECEIVED
SEP 4 2007

**San Joaquin
Council of Governments**

Mr. Andrew Chesley, Executive Director
San Joaquin Council of Governments
555 E. Weber Avenue
Stockton, CA 95202

Dear Mr. Chesley:

RE: Regional Housing Needs Determination

This letter transmits the Regional Housing Needs Determination for San Joaquin Council of Governments (SJCOG) region pursuant to Government Code Section 65584.01 of State housing element law. As you are aware, local governments play a critical role in advancing the State's housing goals through the update of their general plan housing elements. The determination of regional housing need is to be used for development of a regional housing need allocation plan (RHNP) to update housing elements.

On May 24, 2007, the Department of Housing and Community Development (Department) notified you that it extended the due date for jurisdictions to update their housing elements from June 30, 2009 to August 31, 2009. This extension was necessary to accommodate the Department of Finance's July 2007 update of the State's population projections.

The Department completed its consultation process after Linda Wheaton and Glen Campora held an initial consultation meeting with Dana Cowell, Mike Swearingen and Anthony Zepeda on July 17, 2007. At this meeting, the Department provided a copy of its draft determination of the regional housing need for San Joaquin County. In addition, a briefing was given on applicable statutory requirements and changes relating to development of the distribution of the allocation and factors to be considered in the methodology of the RHNP. The Department informed representatives of the opportunity to provide comments and information for the Department to consider in finalizing its determination.

The determination, shown on Attachment 1, represents the final determination of minimum housing need for SJCOG to be allocated among cities and counties in the RHNP for the planning period 2007 – 2014. The determination represents a revision of the Department's initial draft determination, based upon consideration of factors discussed in phone conversations with SJCOG staff subsequent to the July 17th consultation meeting and in an August 31 letter.

Mr. Andrew Chesley, Executive Director
Page 2

Please note that the RHNP is required to be consistent with the following objectives, as set forth in more detail in statute (Section 65584(d)):


- (1) Increasing the housing supply and the mix of housing types, tenure, and affordability;
- (2) Promoting infill development and socioeconomic equity, protection of environmental and agricultural resources, and encouragement of efficient development patterns;
- (3) Promoting an improved intraregional relationship between jobs and housing; and
- (4) Balancing the distribution of households by income category.

Each jurisdiction must be allocated a share of housing need, by income category, to plan to accommodate in updating their housing elements by August 31, 2009. Regarding local government's regional housing need allocation, jurisdictions may take credit for housing units permitted since the January 2007 baseline of the housing element planning period that ends August 31, 2014.

Government Code Section 65584.01(d)(1) allows 30 days from the date of this letter to file an objection and proposed alternative to the Department's determination based only on demographic issues set forth in the statute. Pursuant to Government Code Section 65584.05 (h), the RHNP is to be submitted to the Department for review within 60 days of adoption by the council of governments. The Department is required to determine whether the RHNP is consistent with the regional housing need determination made by the Department (conveyed by this letter) and is authorized to revise the RHNP to obtain this consistency.

The Department appreciates the important role your organization plays in the regional housing needs process and the cooperation provided by representatives. Staff is available to further assist development and implementation of the RHNP and updates of the housing elements. For assistance, please contact Glen Campora, of our office, at (916) 327-2640.

Sincerely,

A handwritten signature in black ink that reads "Cathy E. Creswell". The signature is written in a cursive, flowing style.

Cathy E. Creswell
Deputy Director

Enclosures

Attachment 1**San Joaquin County****Regional Housing Need Determination****For the Period January 2007 through June 30, 2014**

<u>Income Category</u>	<u>Housing Unit Need</u>	<u>Percent</u>
Very Low	9,314	24
Low	6,032	16
Moderate	6,972	18
Above Moderate	<u>15,902</u>	<u>42</u>
Total	38,220	100%

Attachment 2

**San Joaquin County: Explanation of Regional Housing Need Determination
For the Period January 1, 2007 through June 30, 2014**

Methodology, Assumptions, and Data Sources Used to Project Housing Unit Need:

1. Household (HH) growth (37,389) was derived by subtracting 1/1/2007 "Occupied Housing Units" (215,127) from 6/30/2014 "Projected Households" (252,516). The Demographic Research Unit of the California Department of Finance (DOF) prepares these official estimates and projections last updated July 2007 (Population Projections by Race/Ethnicity, Gender and Age for California and Its Counties 2000-2050, July 2007). For planning period purposes, DOF provides the Department projections of HH population and projected number of households. The HH population projection reflects the population housed (occupied housing units) and excludes the group quarters population. Occupied housing units are estimated by DOF in its E-5 report (Population and Housing Estimates for Cities, Counties and the State, 2001-2007, with 2000 Benchmark, May 2007). The projected change in HH population reflects the change between January 1, 2007 (662,646) and June 30, 2014 (808,877). In projecting households, DOF uses the cohort-component method by applying age- and ethnicity-specific HH formation ratios from Census 2000 to the projected population as described on its webpage (<http://www.dof.ca.gov/html/DEMOGRAP/ReportsPapers/Projections/P3>).
2. Homeowner and Renter households (HHs): allocation based on Census 2000 proportion of owner-occupied HHs (60.4%) held constant through projection period. Renter HHs reflect the difference in subtracting homeowner HHs from projected HH growth.
3. Vacancy allowance: rates of 1.8% (owner) and 5.0% (renter) reflect adjustments from standard targets of 2.0% and 6.0%, respectively, for current conditions. Standard targets identified by Office of Planning and Research, Economic Practices Manual (1984:37). These rates were additionally decreased 50% to account for documented market abnormality.
4. Replacement allowance: empirical demolition rate per housing unit averages .09% per year for 2001 through 2007 based on DOF demolition permit data (average 196 demolition permits among jurisdictions within the county, 2001-2007). The average rate is adjusted by a multiple of 2 to account for other losses, such as demolitions without a permit, conversions from residential use to other uses not involving demolition, and/or dwelling units destroyed because of a disaster. The adjusted rate is multiplied by 7.5 (years in the planning period) yielding a 1.41% replacement allowance rate. The standard minimum replacement percentage is 1% whereas the maximum replacement percentage applied is 2%. These rates were additionally decreased 50% to account for documented market abnormality.
5. Income category allocation: each income category was calculated by multiplying total housing need by the proportion of HHs in each income category based on County median HH income (Census 2000) and income definitions (H&S Code Sections 50079.5 and 50105, et.seq.).

Housing Unit Need Projection:

Household growth, Census 2000 headship rates (1)		37,389
Homeowner HHs (2)	60.4%	22,576
Homeowner HH vacancy allowance (3)	.9%	203
Renter HHs	39.6%	14,813
Renter HHs vacancy allowance (3)	2.5%	370
	Subtotal	37,962
Replacement allowance (4)	.71%	258
	Total	38,220




Regional Housing Needs Allocation (RHNA)

PURPOSE

- Is a state-mandate (unfunded) that requires a region's Council of Government (COG) to develop a methodology to determine the number of housing units a jurisdiction must zone for in their General Plan's Housing Element
- The RHNA Plan must divide each jurisdiction's allocation into four (4) income categories of housing affordability (Very Low, Low, Moderate, Above Moderate)

STATUTORY OBJECTIVES

- 
- 1) Increase the housing supply and mix of housing types, tenure, and affordability in all jurisdictions
 - 2) Promote infill development and socioeconomic equity, protection of environmental and agricultural resources, and encourage efficient development patterns
 - 3) Promote and improve the intraregional relationship between jobs and housing
 - 3) Balance disproportionate household income distributions (Based on the most recent decennial United State census)

RHNA DEVELOPMENT COMMITTEE



RHNA Development Committee was established consisting of Community Development Directors and/or their designee from each jurisdiction

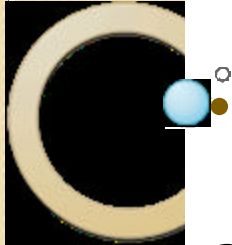
- Been meeting since November 2007
- Unanimous agreement on the current *DRAFT* RHNA Methodology out for 60 day review
- San Joaquin County has challenged the *DRAFT* Methodology regarding the accuracy of the “Jobs” data set from the Regional Transportation Plan used in the methodology

RHNA CAN GENERATE CONTROVERSY

(4th RHNA for San Joaquin County)

- State's involvement in local land use endeavors
- Plans for affordable housing when it is not necessarily desired
- Housing targets tend to contradict local land use policy objectives and constraints
- Misperception that RHNA targets must be built as opposed to "Plan For"

WHAT RHNA IS



Projection of additional housing units needed to accommodate projected household growth of all income levels by the end of the housing element's statutory period

WHAT RHNA IS NOT

- **Prediction** of additional housing units or building permit activity
- **Quota** of housing that must be produced
- **Limitation** due to existing land use capacity or growth control

MANDATED RHNA SCHEDULE

- 1) Regional allocation by income category for SJC 08/31/2007
- 2) Preparation of Methodology 09/2007 ~ 01/2008
- 3) *Review of Methodology 01/2008 ~ 04/2008*
- 4) Develop Draft RHNA Plan 04/2008 ~ 07/2008
- 5) Appeals Process (60 Days) 04/2008 ~ 07/2008
- 6) Preparation/Adoption of final RHNA Plan by SJCOG Board 07/2008 ~ 08/2008
- 7) Update of General Plan Housing Element by each jurisdiction 08/31/2009

RHNA DEVELOPMENT IN OTHER REGIONS

For the time period of 2006 ~ 2013:

- Fresno COG
- Kern COG
- SANDAG
- SCAG
- SACOG
- ABAG
- AMBAG

**Time Periods for All Remaining Regions is from
calendar year 2007 ~ 2014**

SAN JOAQUIN COUNTY RHNA

From Housing & Community Development
Calendar Year January 2007 ~ June 30, 2014

<u>Income Category</u> <u>Percent</u>	<u>Housing Unit Need</u>	
Very Low	9,314	24%
Low	6,032	16%
Moderate:	6,972	18%
Above Moderate:	<u>15,902</u>	

RHNA DRAFT METHODOLOGY

1. Uses household growth projections from DOF specific to each jurisdiction
2. Uses “Job” growth projections specific to each jurisdiction
3. Takes individual household and jobs growth compared to the regional growth to arrive at a % within each category
4. A jobs / housing formula with equal weights is applied to the individual jurisdiction’s job and household growth to arrive at the housing target
5. This target is then applied to the censuses derived income categories for the individual jurisdiction

2007~2014 RHNA DRAFT METHODOLOGY

CITY OF LODI

Households 2014		Households 2007		Household Growth		Regional Household Growth		Share of Household Growth		
26,419	-	22,507	=	3,912		37,389		10.46%		
Jobs 2014		Jobs 2007		Job Growth		Regional Job Growth		Share of Job Growth		
27,059	-	24,249	=	2,810		18,975		14.81%		
Share of Job Growth		Weight Factor		Share of Household Growth		Weight Factor		HCD Regional Need		Total Projected Need
14.81%	x	0.5	+	10.46%	x	0.5	x	38,220	=	4,829

Household Income Distribution

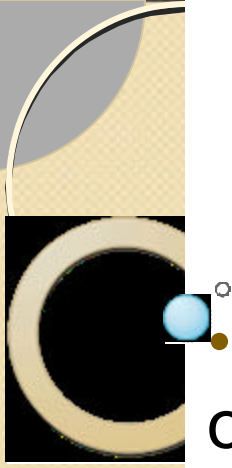
Income Category		2000 Household Median Income Percentage Jurisdiction		2000 Household Median Income Percentage Region		2001 Household Median Income Percentage Jurisdiction				Housing Unit Allocation by Category
Very Low		24.70%		24.32%		24.51%				1184
Low		17.17%		15.71%		16.44%				794
Moderate		18.52%		18.31%		18.42%				889
Above Moderate		39.62%		41.66%		40.64%				1,963
TOTAL		100%		100%		100%				4,830

OTHER RHNA FACTORS

• SJCOG will conduct an inventory to document resources and constraints, including, but not limited to, the following:

- Household characteristics
- Jobs and housing relationship
- Opportunities and constraints to development of additional housing
- Preservation of agricultural land in the unincorporated area
- Housing for persons with special needs
- Transition of existing housing from low-income to another Income categories
- Identify funding resources to foster and preserve lower income households

HOUSING UNIT TRANSFERS

- 
- Transfers can only be performed from the County of San Joaquin to an incorporated city
 - SJCOG would need to approve the transfers
 - To date, no City has welcomed additional housing targets
 - All transfers would need an analysis of the factors and circumstances which support the action and submitted to the state

INCENTIVES FOR HOUSING ELEMENT COMPLIANCE



◦ The City of Lodi, along with the other jurisdictions in San Joaquin County, have GP Housing Elements that comply with state law

Qualify for funding under the following programs:

- Building Equity & Growth in Neighborhoods (BEGIN)
- Home Investments Partnerships (HOME) Program (Federal)
- Community Development Block Grant (CDBG)
- Planning & Technical Assistance
- Infill Incentive Grant (IIG)
- Workforce Housing Reward
- California Debt Limit Allocation Committee of State Treasurer's Office Single Family Home Program
- California Infrastructure & Economic Development Bank (I-Bank) Infrastructure State Revolving Fund (ISRF)

NEXT STEPS



The RHNA Development Committee will meet in March 2007 to:

- Review and discuss comments received by SJCOG on DRAFT Methodology
- Review and discuss results of new “Job” data set based on EDD data
- Recommend adjustments to draft methodology and assess overall impact



Regional Housing Needs Allocation (RHNA)

Question & Answer

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT**Division of Housing Policy Development**

1800 Third Street Suite 430
P O Box 952053
Sacramento CA 94252-2053
(916) 3293177
FAX (916) 327-2643

January 2008



Incentives for Housing Element Compliance

Housing elements have been mandatory portions of local general plans in California since **1969**. This reflects the statutory recognition that the availability of housing *is* a matter of statewide importance and cooperation between government and the private sector is critical to attainment of the State's housing goals. Housing element law is the State's primary market-based strategy to increase housing supply, affordability and choice. The law recognizes that in order for the private sector to adequately address housing needs and demand, local governments must adopt land-use plans and regulatory schemes that provide opportunities for, and do not unduly constrain, housing development.

To incentivize and reward local governments that have adopted compliant and effective housing elements, several housing, community development and infrastructure funding programs include housing element compliance as a rating and ranking or threshold requirement.

Housing element compliance is generally included as a rating and ranking criteria in programs where the primary applicants are local governments. **As** eligible applicants vary by program, (e.g., only non-entitlement jurisdictions eligible for State CDBG or HOME programs) not all jurisdictions are affected by these programmatic requirements.

The effect or significance of the housing element factor within the context of other competitive factors varies by program. Please refer to program specific information available for the specific criteria utilized including timing requirements.

California Department of Housing and Community Development

■ Building Equity and Growth in Neighborhoods (BEGIN) Program

<http://www.hcd.ca.gov/fa/begin>

Program Description: The BEGIN Program is a homeownership program providing grants to local governments that reduce regulatory constraints to housing. Grants are provided for downpayment assistance to low- and moderate-income first-time homebuyers.

Housing Element Criteria: Points are granted for jurisdictions with an adopted housing element found in substantial compliance with State housing element law.

- Home Investments Partnerships (**HOME**) Program (Federal)
<http://www.hcd.ca.gov/fa/home>

Program Description: The HOME Program provides grants to cities, counties, and State-certified CHDO's for housing rehabilitation, new construction, and acquisition and rehabilitation for both single family and multifamily housing projects serving lower-income renters and owners.

Housing Element Criteria: Points are granted for jurisdictions with an adopted housing element found in substantial compliance with State housing element law.

- Community Development Block Grant (CDBG) Program
<http://www.hcd.ca.gov/fa/cdbg>

General Allocation

Program Description: The CDBG/GA Program provides funds for new construction, housing acquisition, housing programs, housing rehabilitation, public services, community facilities, economic development, and public works.

Housing Element Criteria: To be eligible for funding, a jurisdiction's housing element must be adopted pursuant to Government Code Section **65585** by a date established in the NOFA/Application.

Planning and Technical Assistance

Program Description: CDBG/PTA Program provides funds for planning and feasibility studies related to CDBG-eligible activities.

Housing Element Criteria: To be eligible for funding, a jurisdiction's housing element must be adopted pursuant to Government Code Section **65585** by a date established in the NOFA/Application.

- Infill Incentive Grant (IIG) Program
<http://w.hcd.ca.gov/fa/iig/>

Program Description: The IIG Program provides funds for infrastructure improvements necessary to facilitate new infill housing development.

Housing Element Criteria: To be eligible for funding, projects must be located in a locality which has an adopted housing element that has been found by the Department to be in substantial compliance as of the due date for applications pursuant to the NOFA.

- Workforce Housing Reward (**WFH**) Program (**no current funding available**)
<http://www.hcd.ca.gov/fa/whrp>

Program Description: The WFH Program provides financial incentives to cities and counties that issue building permits for new housing affordable to very low- or low-income households. Grant funds can be used for a wide range of capital asset projects including parks, street/infrastructure improvements, recreational facilities, housing, neighborhood improvements, public safety and community revitalization efforts.

Housing Element Criteria: To be eligible for funding, a jurisdiction must have an adopted housing element that has been found in compliance by the Department by a date established in the NOFA/Application.

Other Statewide Programs

- California Debt Limit Allocation Committee of State Treasurer's **Office**
Single Family Home Program
<http://www.treasurer.ca.gov/cdlac/procedures/adopted.pdf>

Program Description: Reduced interest, tax-exempt bonds to finance affordable housing projects, both rental and homeownership.

Housing Element Criteria: The proposed Single Family Home Program must be consistent with the adopted housing element for the jurisdiction in which the program is to be operated.

- California Infrastructure and Economic Development Bank (I-Bank)
Infrastructure State Revolving Fund (ISRF) Program
http://www.ibank.ca.gov/ttca/pdfs/detail/inf_bank/BoardApprovedCriteria-revised02-01-07.pdf

Program Description: The ISRF Program provides low-cost financing to public agencies for a wide variety of infrastructure projects. Eligible project categories include city streets, county highways, state highways, drainage, water supply and flood control, educational facilities, environmental mitigation measures, parks and recreational facilities, port facilities, public transit, sewage collection and treatment, solid waste collection and disposal, water treatment and distribution, defense conversion, public safety facilities, and power and communications facilities.

Housing Element Criteria: Points will be granted for jurisdictions or applicants located within a jurisdiction with a Department approved housing element.

- California Housing Finance Agency
Housing Enabled by Local Partnerships (HELP) Program
<http://www.calhfa.ca.gov/localities/help/index.htm>

Program Description: The HELP Program and the Residential Development Loan Program (RDLP) offer reduced rate loans to local government entities for locally determined affordable housing activities and priorities (acquisition, construction, rehabilitation, single-family homeownership, or preservation of multifamily and special needs units).

Housing Element Criteria: Proposals must include documented housing plans that demonstrate that the proposed housing activity described in the application has been identified as a local housing priority. Eligible documented housing plans include the housing elements, consolidated plans, redevelopment plans or other general housing plans that the locality's governing board has ratified. Applications must also include evidence that a plan has been approved.

January 2008